

**ATTORNEY'S AFFIDAVIT IN SUPPORT
OF REPLY TO OPPOSITION TO MOTION TO VACATE PROCESS OF
MARITIME ATTACHMENT**

State of New York :
:ss.
County of Nassau :

Owen F. Duffy, being duly sworn, states under penalty of perjury as follows:

1. I am a member of the Bar of the State of New York, and I am admitted to practice before this Court.

2. I am a member of the firm of Chalos, O'Connor & Duffy, LLP, attorneys for the Defendant, Zhejiang Fuchuen Co., Ltd., in this action.

3. I am fully familiar with the matters set forth in this affidavit, and my knowledge of the matters set forth in this affidavit is based on information provided to me by Defendant Zhejiang Fuchuen Co., Ltd., its agents and attorneys and my own independent research.

4. I submit this affidavit for the purpose of setting forth the facts and introducing evidence of the facts to support Zhejiang Fuchuen Co., Ltd.'s Reply to Plaintiff's Opposition to the Motion to Vacate the Maritime Attachment.

5. Attached hereto as Exhibit A is a true and correct copy of a letter on behalf of Defendant Fuchuen Dihai Shipping Company Limited to the Companies register of Hong Kong in the People's Republic of China dated November 29, 2006.

6. Attached hereto as Exhibit B is a true and correct copy of a Fixture Note dated May 21, 2007 between Defendant Zhejiang Fuchuen Co. Ltd. (hereinafter referred to as "Zhejiang"), and Sang Thai Maritime 1988 Co. Ltd.

7. Attached hereto as Exhibit C is a true and correct copy of an email from Defendant Zhejiang to Sang Thai Spore regarding a freight payment of \$193,658.65 for the MV SANG THAI GLORY.

8. Attached hereto as Exhibit D is a true and correct copy of a Customer Advice slip form the Bank of China regarding the remittance of \$193,658.65 by Defendant Zhejiang for the MV SANG THAI GLORY.

9. Attached hereto as Exhibit E is a true and correct copy of a Sales Contract between Defendant Zhejiang and seller Poly Trading Company regarding the sale of "Malaysian Round Logs" dated May 4, 2007.

10. Attached hereto as Exhibit F is a true and correct copy of a Sales Contract between Defendant Zhejiang and seller Timberwell Berhad regarding the sale of "Malaysian Round Logs" dated May 4, 2007.

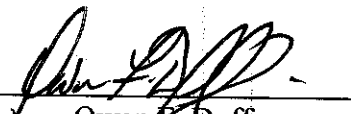
11. Attached hereto as Exhibit G is a true and correct copy of a Chinese document with a handwritten translation dated September 16, 2006 showing that Chinese

state-owned enterprises do not need to pay dividends to state shareholders (although this will end next year).

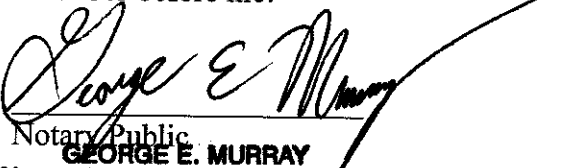
12. Attached hereto as Exhibit H is a true and correct copy of a of a Chinese document with a handwritten translation dated October 10, 2001, demonstrating that the concept of "Enterprises owned by the Whole People" referred to in the Declaration of Song Dihuang in Opposition to Defendants' Motion to Vacate the Maritime Attachment, no longer exists and therefore demonstrates that Mr. Dihuang is out-dated in his supposed field of knowledge.

13. Attached hereto as Exhibit I is a true and correct copy of the "Company Info" page of the Transfield-er.com web site as it was listed on July 22, 2007.

Dated: New York, New York
July 23, 2007


Owen F. Duffy

Sworn to before me:


Notary Public
GEORGE E. MURRAY
Notary Public, State of New York
No. 02MU6108120
Qualified in New York County
Commission Expires April 12, 2008

**Affidavit of Owen F. Duffy in Reply
to Plaintiff's Opposition to the
Motion to Vacate the Attachment**

Exhibit A



富春帝海船務有限公司
FUCHUEN DIHAI SHIPPING CO., LTD.

To: Companies Registry
Your Ref: CR/DR/111811056
Fax No: 31101941

cc. RBs. (Fax No: 28101607)

Re: Fuchuen Dihai Shipping Company Limited (company no. 0919768)
- Application for deregistration

We refer to your letter of 9th November.

We are puzzled as to the objection to the deregistration raised by Messrs. Richards Butler and/or Transfield ER Cape Limited. We advise that we do not have any dealing with Transfield ER Cape Limited and/or owe any debts to it or otherwise. We would be grateful if Messrs. Richards Butler and/or Transfield ER Cape Limited could provide full particulars of the outstanding liabilities.

We must reserve all our rights against Messrs. Richards Butler and/or Transfield ER Cape Limited for the unlawful interference with the deregistration process.

Yours faithfully,

For and on behalf of
FUCHUEN DIHAI SHIPPING COMPANY LIMITED
富春帝海船務有限公司

For and on behalf of *Authorized Signatory(s)*
Fuchuen Dihai Shipping Company Limited



**Affidavit of Owen F. Duffy in Reply
to Plaintiff's Opposition to the
Motion to Vacate the Attachment**

Exhibit B

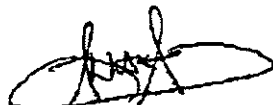
21 MAY 2007

FIXTURE NOTE

IT IS THIS DAY MUTUALLY AGREED BETWEEN M/S SANG THAI MARITIME 1988 CO., LTD., OF BANGKOK, THAILAND (AS OWNERS) AND M/S ZHEJIANG FUCHUEN CO LTD., HONGKONG (AS CHARTERERS) TO LOAD THE CARGO ON THE VESSEL UNDER THE FOLLOWING TERMS AND CONDITIONS :-

1. VESSEL : M.V. "SANG THAI GLORY" /OR SUBSTITUTE
2. CARGO QUANTITY : ABOUT 5,300 M3 ROUND LOGS
3. LOADING PORT(S) : 2SBAP BINTULU (SARAWAK, MALAYSIA) AND KUDAT, (SABAH, MALAYSIA)
4. DISCHARGE PORT(S) : 1SBAP ZHAPU (P.R. CHINA)
5. LAYCAN : 01 - 05 JUNE 2007
6. OCEAN FREIGHT : BINTULU - US\$34.00 PER M3 (FIOST)
KUDAT - US\$38.00 PER M3 (FIOST)
7. L/D RATE : CQD (BOTH ENDS)
8. FULL 100% FREIGHT TO BE PAID *WITHIN THREE (3) WORKING DAYS AFTER COMPLETION OF LOADING AND SIGNING/RELEASING OF BILLS OF LADING BUT ALWAYS BEFORE VESSEL'S ARRIVING AT DISCHARGE PORT.* ALL MONEY ARE PAYABLE IN UNITED STATES CURRENCY (US\$) BY TELEGRAPHIC TRANSFER (T/T) TO OWNERS' NOMINATED ACCOUNT.
9. OWNERS' AGENT AT BOTH PORTS.
10. CARGO GEARS PROVIDED BY OWNERS, ANY BREAKDOWN ON WINCHES/DERRICKS TO ORDER SHORE CRANE FOR OWNERS' A/C.
11. CARGO TO BE RELEASED ONLY AGAINST ORIGINAL B/Ls AND/OR BANKERS' GUARANTEES. 2ND SET B/Ls TO BE ISSUED, IF ANY, CHARTERERS TO NOTIFY OWNERS IN WRITING UPON SIGNING OF THIS FIXTURE NOTE, ELSE OWNERS WILL REJECT SUCH REQUEST. 2ND SET B/Ls TO BE SIGNED/RELEASED BY OWNERS' NOMINATED REPRESENTATIVE/AGENT AND ISSUED AGAINST CHARTERERS' BANKERS' LOI AND/OR AGAINST THE SURRENDERING OF THE 1ST FULL SET B/L.
12. ANY DUES/TAXES ON CARGO FOR CHARTERERS' A/C. ANY DUES/TAXES ON VESSEL TO BE FOR OWNERS' A/C.
13. DECK CARGO, IF ANY, AT CHARTERERS' OWN RISK AND TO BE BASED ON VESSEL'S SAFETY.
14. FULL FREIGHT SHALL BE CONSIDERED EARNED AS CARGO BEING LOADED ONBOARD, DISCOUNTLESS AND NON-RETURNABLE WHETHER VESSEL AND/OR CARGO LOST OR NOT LOST.
15. ARBITRATION, IF ANY AT SINGAPORE UNDER ENGLISH LAW.
16. OTHER AS PER NANYOZAI CHARTER PARTY.

FOR & ON BEHALF OF THE OWNERS,
SANG THAI MARITIME 1988 CO. LTD.,
BANGKOK, THAILAND




.....
Authorised Signature

FOR & ON BEHALF OF THE CHARTERERS,
ZHEJIANG FUCHUEN CO. LTD.,
HONG KONG



.....
Authorised Signature (with company's stamp)

**Affidavit of Owen F. Duffy in Reply
to Plaintiff's Opposition to the
Motion to Vacate the Attachment**

Exhibit C

Trade

发件人: Sang Thai Spore [sangthai@pacific.net.sg]
 发送时间: Tuesday, June 5, 2007 12:36
 收件人: ZhejiangFuchuen - HK (Steve Tsoi)
 主题: Freight Payment - MV "Sang Thai Glory" Voy 05/2007

To : ZHEJIANG FUCHUEN, HK (MR STEVEN TSOI) Ref : ST/006/07/07E ✓
 From : SANG THAI SPORE Date : 05-Jun-2007

FREIGHT PAYMENT - MV "SANG THAI GLORY" VOY.05/2007

Subject vessel completed loading and sailed Kudat with best ETA Zhapu 8/Jun.

The freight payable are as follows :-

<u>Bintulu</u>	-	2,303.3480M3 X USD34.00	=	US\$ 78,313.83
<u>Kudat</u>	-	2,596.9900M3 X US\$38.00	=	US\$ 98,665.62
		438.4000M3 X US\$38.00	=	US\$ 16,659.20
Total Freight Payable			=	<u>US\$193,658.65</u>

Kindly remit the above freight of US\$193,658.65 to our nominated account as follows, soonest possible and/or before vessel's arrival at discharging port :-

Bank : STANDARD CHARTERED BANK,
 SOUTH BRIDGE ROAD BRANCH, SINGAPORE
 (SWIFT CODE : SCBLSGSG)

In Favour : SANG THAI SHIPPING AGENCY (S) PTE LTD

A/C No. : 11-7-900040-1 (US\$ A/C)

In your remittance, kindly indicate the Vessel's Name and Voyage No and fax us the remittance slip once effected for us to check with our bank accordingly.

Your kind co-operation and support is greatly appreciated.

Rgds, ANG

6/6/2007

P.3 NO.242

ZHEJIANG FUCHUEN 952 3405 1777

23.JUL.2007 23:15

**Affidavit of Owen F. Duffy in Reply
to Plaintiff's Opposition to the
Motion to Vacate the Attachment**

Exhibit D

客戶通知書
CUSTOMER ADVICE

Date: _____

Remittance Ref.: 1267001100004710
如有查詢，請引用上述編號及日期
(please quote the ref. & date in all enquiries)

銀行專用 FOR BANK USE ONLY
REMITTANCE AMOUNT: USD193,658.65 R. DATE: 2007/06/11
COM: USD20.50 COM IN LIEU: USD0.00
TLX/POSTAGE: USD0.00 OTHER COM.: USD0.00
FROM: A/C#012-884-0-000468-6 USD193,679.15
ZHEJIANG FUCHUEN CO LTD
BENE: A/C: /11-7-900040-1
BENE: SANG THAI SHIPPING AGENCY(S) PTE LTD
F00000024212 2007/06/11 10:43:12 27108 31949A 10212 00000 23110
此通知書帶有本行機印方為有效; 此通知書所列匯款以收款銀行收妥及通知作實。
This advice valid only with validation line; the remittance set out in this Advice is subject to the ACTUAL RECEIPT and ADVICE of the Beneficiary's Banker.

致：匯款人： ZHEJIANG FUCHUEN CO LTD
To: Remitter: B.R.#10306288
信件號碼
L/D No. 34051888 (MS MANDY WONG)
聯絡電話：
Contact Tel No

For BANK OF CHINA (HONG KONG) LIMITED

**Affidavit of Owen F. Duffy in Reply
to Plaintiff's Opposition to the
Motion to Vacate the Attachment**

Exhibit E

Date: May 4, 2007.

SALES CONTRACT**The Buyer:** Zhejiang Fuchuen Co Ltd**The Seller:** Poly Trading Company

This contract is made by and between the Buyer and the Seller, whereby the Buyer agree to buy and the Seller agree to sell the under-mentioned goods on the terms and conditions stated below.

Description of cargoes and quantity: Malaysian Round Logs.**Quality and specification:** To be graded by buyer's grader if required. Length 6M & up**Price:**

1. MLH about 800 M³ Reg (60cm up) @USD126.00/M³
SM(46-59cm) less USD15.00/M³
SSM(34-45cm) less 30.00/M³

2. Kening about 500 M³ Reg @USD225.00/M³
SM less USD15.00/M³
SSM less 30.00/M³

3. Kapur about 400 M³ Reg @USD210.00/M³
SM less USD15.00/M³
SSM less USD30.00/M³
BSM less USD45.00/M³

4. Selangan Batu if any @USD308.00/M³

Total Amount: will be calculated with unit price and log list**Loading Port:** Sarawak, Malaysia.**Price Terms:** FOB Bintulu, Malaysia**Shipment:** JUNE 2007.**Insurance:** to be covered by buyer/ultimate buyers.**Payment:** by T/T.**BUYER:**

Zhejiang Fuchuen Co Ltd.



**Affidavit of Owen F. Duffy in Reply
to Plaintiff's Opposition to the
Motion to Vacate the Attachment**

Exhibit F

Contract No. FC20070504TW

Date: May 4, 2007.

SALES CONTRACT**The Buyer:** Zhejiang Fuchuen Co Ltd**The Seller:** Timberwell Berhad

This contract is made by and between the Buyer and the Seller, whereby the Buyer agree to buy and the Seller agree to sell the under-mentioned goods on the terms and conditions stated below:

Description of cargoes and quantity: Malaysian Round Logs.**Quality and specification:** To be graded by buyer's grader if required. Length 6M & up**Price:**

1. Kapur about 600 M³ Reg (60cm up) @USD190.00/M³
 SM(46-59cm) less USD20.00/M³
 SSM(34-45cm) less USD50.00/M³
 BSM(34-45cm) less USD65.00/M³

2. Kampas/Mengaris about 300 M³ Reg @USD130.00/M³
 SM less USD15.00/M³

3. Keruing about 1,300 M³ Reg @USD200.00/M³
 SM less USD20.00/M³
 SSM less USD50.00/M³

4. Penyau, if any Reg. @USD270.00/M³

5. Resak, if any Reg. @USD160.00/M³

7. Selangan Batu about 200 M³ @USD260.00/M³

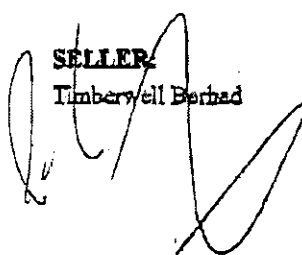
8. Selangan Batu about 600 M³ @USD195.00/M³

Total Amount: will be calculated with unit price and log list**Loading Port:** Sabah, Malaysia.**Price Terms:** FOB Sabah, Malaysia**Shipment:** JUNE 2007.**Insurance:** to be covered by buyer/ultimate buyers.**Payment:** by T/T.**BUYER:**

Zhejiang Fuchuen Co Ltd.


SELLER:

Timberwell Berhad



**Affidavit of Owen F. Duffy in Reply
to Plaintiff's Opposition to the
Motion to Vacate the Attachment**

Exhibit G

Document ①

李荣融：中国明年起可能向国有企业收取红利

发布时间：2006-09-16 来源网站：163 来源媒体：网易 点击次数：

【文章简介】

明年起，中国国有企业将结束毋须向国有股东派息的历史。国有资产监督管理委员会主任李荣融透露，国资委正与财政部研究，从明年开始向所属国有企业征收股息，所收股息将用于公用事业和行业发展所需。

据香港媒体报道，明年起，中国国有企业将结束毋须向国有股东派息的历史。国有资产监督管理委员会主任李荣融透露，国资委正与财政部研究，从明年开始向所属国有企业征收股息，所收股息将用于公用事业和行业发展所需。有分析员认为，国企母公司通常将收到股息投入具有发展潜力之项目再注入上市公司，故政策将令母公司减少发展资金，上市公司也间接受到影响。

~~Spec Report~~ Document ①

Li Rong Rong = China may change dividends from
state owned companies from next year

Published = 2006-09-16

Source of website = 163

Source of media = NetEase

From next year, Chinese state-owned companies will end the history of not paying dividends to state shareholders.

Li Rong Rong, President of Chinese State Assets Supervision and Administration Commission revealed that the Commission is discussing with the Ministry of Finance with regard to changing of dividends from state-owned companies from next year, all dividends will be used in public-benefiting projects as well as to meet the needs of state-owned companies industries in their development.

[Hong Kong media reported the same]

Analysts comments, state-owned parent companies usually invest the funds received from dividend payments into projects with development potential and public listed companies. Therefore the new policy will reduce the amount available for development, public listed companies funds will also be affected indirectly.

**Affidavit of Owen F. Duffy in Reply
to Plaintiff's Opposition to the
Motion to Vacate the Attachment**

Exhibit H



中华人民共和国国家统计局

National Bureau of Statistics of China



您现在的位置: 首页 >> 统计标准 >> 正文

Document ②

关于统计上划分经济成分的规定

国家统计局发布 2001-10-10 13:38:07

第一条 为了反映我国经济中所有制成分的构成情况,为宏观决策和管理提供依据,特制定本规定。

第二条 本规定适用于综合加工和计算各主要经济总量指标(如产值、销售收入、国内生产总值)的经济成分。

第三条 经济成分分类与代码

代 码	分 类 及 构 成
1	公有经济
11	国有经济
12	集体经济
2	非公有经济
21	私有经济
22	港澳台经济
23	外商经济

第四条 公有经济是指资产归国家或公民集体所有的经济成分,包括国有经济和集体经济。

第五条 国有经济是指资产归国家所有的经济成分。

第六条 集体经济是指资产归公民集体所有的经济成分。

第七条 非公有经济是指资产归我国内地公民私人所有或归外商、港澳台商所有的经济成分,包括私有经济、港澳台经济和外商经济。

第八条 私有经济是指资产归我国内地公民私人所有的经济成分。

第九条 港澳台经济是指资产归港澳台商所有的经济成分。

第十条 外商经济是指资产归外商所有的经济成分。

Document ②
National Bureau of Statistics of China (Extract)

Regulations as regarding economy components
for statistics purposes

2001-10-10 13:28:07

Article 1: This Regulation is enacted for the purpose of reflecting the ~~comp~~ what our country's economy are composed of, ~~and~~ for macro-decision making and ~~for providing management~~ ^{providing data source and basis}

Article 2: This Regulation is applicable for use in general ~~re processing~~ ^{processing} and calculating main economy total volume / quantity index (such as production value, sales income, domestic production total value)

Article 3: Categories of economy components & Codes

Code	Category & Component
1	Public economy
11	State-owned economy
12	Collective economy
2	Non-public economy
21	Private economy
22	Hong Kong, Macao, Taiwan economy
23	Foreign investors economy
	economy component where the

Article 4: Public economy means assets which belongs to the state or citizens ~~collectively~~ ^{collectively} owned economy component, including state-owned economy and collective economy.

Article 5: State-owned economy means economy component where the assets belong to the state.

Article 6: Collective economy means economy component where the assets belong to citizens collectively.

- Continued -

Article 7 Non-public economy means economy component where the assets belong to our country's mainland citizens (privately owned) or belong to foreign investors, Hong Kong, Macao and Taiwan ~~investors~~ (Hong Kong, Macao & Taiwan economy and foreign investors economy).

Article 8 Private economy means ~~assets~~ ~~in~~ economy component where the assets belong to our country's mainland citizens (privately owned).

Article 9 Hong Kong, Macao and Taiwan economy means economy component where the assets belong to Hong Kong, Macao and Taiwanese investors.

Article 10 Foreign investors economy means ~~assets~~ economy component where the assets belong to foreign investors.

— End —

Doc. ②

**Affidavit of Owen F. Duffy in Reply
to Plaintiff's Opposition to the
Motion to Vacate the Attachment**

Exhibit I



Company Info



Announcement

Company Info

Company
Goals

Business
Principles

Business
Highlights

Looking into
the Future

Network

Careers

Contact us

The Transfield ER Group (the "Transfield ER" or the "Group") started its shipping business in 1989. Today, we are widely recognized as the specialist in dry bulk shipping business, focusing in China market as our base with expansion well into the international market. Transfield ER serves a wide range of customers that includes most of the state-owned companies and enterprises in China, international grain houses, fertilizer traders and steel mills.



Well-connected and having done spot as well as long term contractual business with major client ship owners around the world, Transfield ER is expanding its business on a global scale. Headq in Hong Kong, the company has set up branches and representative offices in Oslo, Beijing, Dalian, Tianjin and Zhanjiang. As we enter the 21st century, we will continue to provide clients with professional, reliable and competitive services in a spirit of mutual benefit, and relentlessly elevate services to an even higher level to keep up with their rising expectations.

While Hong Kong office serves as the headquarter to control and coordinate all dry bulk shipping activities, Beijing office serves as our arm's length to China market together with Dalian and Tianjin offices as our port arrangement and logistic arm in China. Our Oslo office, together with the Hong Kong office, serves as the link to the international market to develop and coordinate marketing, chartering and logistic activities.



In addition to our shipping business, the Group is involved in various investments in China, including warehouses as well as factories.

Transfield ER is focusing strongly on managing and understanding the customers and business partners' overall transportation and logistic needs. It is a strategic objective for the Group that any contact made with Transfield ER should mutually strengthen the business loyalty.